

Explanatory Statement

Standards for VET Regulators 2015 made under the *National Vocational Education and Training Regulator Act 2011*

Issued by the authority of the Minister for Industry

Subject: *National Vocational Education and Training Regulator Act 2011*
Standards for VET Regulators 2015

Authority

Subsection 189(1) of the *National Vocational Education and Training Regulator Act 2011* (the Act) provides that the Minister may, by legislative instrument, make standards for vocational education and training (VET) Regulators, as agreed by the Ministerial Council. Subsection 189(2) of the Act provides that the agreed standards are to be known as the *Standards for VET Regulators*.

In accordance with sections 44 and 54 of the *Legislative Instruments Act 2003*, the *Standards for VET Regulators* (the Standards) are not subject to disallowance or sunseting.

Purpose and Operation

The purpose of the Standards is to revoke the *Standards for VET Regulators 2011* (F2011L01338) and to remake the Standards to formally identify the Standards for VET Regulators performing functions under the Act. These Standards will ensure:

- the integrity of nationally recognised training by regulating registered training organisations (RTOs) and VET accredited courses using a risk-based approach that is consistent, effective, proportional, responsive and transparent;
- consistency in the VET Regulator's implementation and interpretation of the Standards for RTOs and Standards for VET Accredited Courses; and
- the accountability and transparency of the VET Regulator in undertaking its regulatory functions.

Consultation

In April 2014, the Australian Government commenced a review of the standards for RTOs and VET Regulators as part of its broader VET reform agenda, with view to ensuring that the standards are consistent with the Australian Government's current VET reform priorities including industry responsiveness, improving quality and reducing the complexity of the regulatory framework.

The Minister released the new draft standards for public consultation in June 2014. In total 128 submissions were received from RTOs, employers, training provider peak bodies, industry associations, Industry Skills Councils, unions and interested individuals as part of this process.

Before the Minister made the Standards, they were endorsed by Ministers at the Council of Australian Governments (COAG) Industry and Skills Council meeting on 26 September 2014.

Description of the provisions of the Standards

Part 1—Preliminary

Names the Standards for VET Regulators 2015, provides the purpose of the standards, describes the structure of the Standards and provides a glossary of defined terms used throughout the Standards.

Part 2 – Regulator Standards

Standard 1: The VET Regulator effectively and efficiently regulates RTOs

Sets the requirements to assist with a nationally consistent approach to registration under the Act that is fair, risk-based, transparent, responsive and meets the legislative requirements. Includes a requirement for the VET Regulator to provide educative and guidance material to RTOs to assist them in complying with the *Standards for Registered Training Organisations 2015*.

Standard 2: Courses are accredited in accordance with the Standards for VET Accredited Courses.

Requires the VET Regulator to only accredit courses that comply with the *Standards for VET Accredited Courses* in a way that maintains the integrity of AQF qualifications and in a robust and fair way, and to provide education and guidance on compliance with the Standards for VET Accredited Courses.

Standard 3: The VET Regulator communicates effectively and implements a transparent complaints process to enhance regulatory practices and outcomes.

Requires the VET regulator to establish and maintain effective communication with other VET Regulators and stakeholders, including communicating clear and accurate information and advice.

Sets the requirements for the VET Regulator to implement a policy to manage and respond to reports of an RTO's non-compliance with the *Standards for Registered Training Organisations 2015* as well as complaints about its regulatory practices. Requires the VET Regulator to maintain current and accurate records.

Standard 4: The VET Regulator reports to and responds to requests from the COAG Industry and Skills Council or its delegate.

Sets the requirements for the VET Regulator to report to and respond to requests from the Industry and Skills Council on its performance and implementation and interpretation of the *Standards for Registered Training Organisations 2015* and *Standards for VET Accredited Courses*.

Standard 5: The VET Regulator evaluates and improves its regulatory performance and ensures that its delegates comply with the Standards for VET Regulators 2015.

Sets the requirements for the VET Regulator to provide leadership by demonstrating their commitment to evaluating and improving their regulatory practice through a range of improvement strategies and ensuring that its delegates comply with the Standards.

Standard 6: The VET Regulator must be effectively and efficiently managed.

Sets the requirements for the VET Regulator to have robust management and administrative systems, service standards and a code of practice in place.

Schedule 1: Competency requirements

Sets out the qualification requirements for VET Regulator auditors and course accreditation assessors.